# Demand Response and Load Management Standards

Historical Perspective

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## **Energy Environment - 1976**

- PURPA not adopted until 1978
- Utility Situation
  - 25+ years of load building
  - Declining block rates
  - Unsophisticated load forecasting
  - Little customer information
- CEC Situation
  - No appliance standards
  - No building standards
  - No efficiency or demand response

### **Key Utilities**

- Pacific Gas & Electric
- Southern California Edison
- San Diego Gas & Electric
- Sacramento Municipal Utility District
- LA Department of Water and Power



# **Load Management Process**

1

### **Pilot Projects**

- Collaborative Projects
- Experimental Designs

#### Internal Studies

- Literature reviews
- Field examinations

Results

# Consultant Studies

Technical and academic studies

2

Committee of CEC Commissioners



# Review and Recommendations

- Staff-Utility-Advocate Review
- CEC Legal Review
- CEC Administrative Review

Public Hearings (Statewide)



CEC Full Commission Hearings

4



## **CEC Load Management Targets - Pilots**

- ☐ C/I Very Large TOU > 4,000 kW 2 pilots
- ☐ C/I Very Large Dispatchable TOU > 4,000 kW 1 pilot
- $\Box$  C/I Large TOU > 1,000 kW 3 pilots
- ☐ C/I Medium TOU >500 kW 3 pilots
- ☐ C/I Small TOU < 500 kW 3 pilots
- ☐ Residential TOU 2 pilots
- ☐ Residential TOU w/ load control 2 pilot
- ☐ C/I AC load control 3 pilots
- ☐ Residential AC, WH, SPH load control 5 pilots



## **CEC Load Management Targets - Studies**

- ☐ Agricultural load management field studies
- ☐ Industrial load management field / case studies
- ☐ Industrial end-use study
- □ Commercial Energy Management
  - Literature reviews
  - Field studies (audits)
  - Hardware evaluations
- Worldwide Load Management review / workshop
- Customer Acceptance market research / workshop
- □ Load Management Hardware survey / workshop
- □ Rate Design examination of marginal cost pricing
- □ Cost Effectiveness methodology examination



# **CEC Load Management Standards**

".. the Commission, at the very least, must consider load management standards which involve rate structure adjustments, devices for the control of daily and seasons peak loads, and enduse storage systems."

"At this time, staff does not offer a standard which involves enduse storage. It has not yet assembled data which might demonstrate the cost effectiveness of storage."

Source: CEC Staff Report on Load Management Standards, June 5, 1978, page 10.



# **CEC Load Management Standards**

Adopted Standard	Goal / Objective	Issues - Results
Residential     Appliance Control	Achieve 25% saturation of control switches	<ul> <li>Utilities claim maximum achievable 23%</li> <li>PG&amp;E pilot implementation achieves &gt; 80%</li> <li>SCE pilot implementation achieves 99%</li> </ul>
2. Commercial Energy Conservation Surveys	■5% coincident peak reduction ■10% reduction in energy use	<ul> <li>Utility surveys achieve &lt; 2% savings</li> <li>PG&amp;E headquarters reduces energy use 30%</li> <li>LBNL, Rand, DOE studies achieve 10-40%</li> <li>DRRC AutoDR achieves 10-30%</li> </ul>
3. Load Management Tariffs	Present and propose marginal cost (MC) rates	<ul> <li>Average embedded cost rates understate MC, provide incorrect price signal</li> <li>Uncertain definition-methodology for MC</li> </ul>
4. Swimming Pool Pump	Achieve 80% participation - move swimming pool loads off-peak	<ul> <li>Few concerns</li> <li>Setbacks difficult to maintain due to service and electrical outages.</li> </ul>

